



**U.S. Department of Justice**

*United States Attorney  
District of Maryland  
Northern Division*

*Rod J. Rosenstein  
United States Attorney*

*Vickie E. LeDuc  
Public Information Officer*

*36 South Charles Street  
Fourth Floor  
Baltimore, Maryland 21201*

*410-209-4800  
TTY/TDD: 410-962-4462  
410-209-4885  
FAX 410-962-3091  
Vickie.LeDuc@usdoj.gov*

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**Contact AUSA VICKIE E. LEDUC or  
MARCIA MURPHY at (410) 209-4885**

**U.S. ATTORNEY'S OFFICE FILES COMPLAINT SEEKING FORFEITURE OF  
\$6.9 MILLION AND PROPERTY TRACED TO PROCEEDS OF A BRIBERY SCHEME  
INVOLVING USPROTECT CORPORATION**

**Baltimore**, Maryland - A complaint for forfeiture was filed today seeking up to \$6.9 million from a bank account owned by USProtect Corporation (USProtect), as well as a boat and two homes in Naples, Florida, which the complaint alleges were involved in money laundering transactions using proceeds of a bribery offense, announced United States Attorney for the District of Maryland Rod J. Rosenstein.

According to the plea agreements of Michael B. Holiday, age 50, of Silver Spring, Maryland and Dessie Ruth Nelson, age 65, of Oakland, California, and the affidavit filed in support of the complaint, Nelson worked in San Francisco, and was responsible for contracting on behalf of the General Services Administration (GSA) with private companies to provide security to GSA-managed buildings. Michael Holiday was the chief executive officer and owner of Holiday International Security, Inc. (HIS), based in Silver Spring, Maryland, a company that provided federal facilities with physical security, primarily through armed guards. In May of 2003, HIS changed its name to USProtect Corporation.

Between 2000 and 2003, Holiday provided Nelson with, among other benefits, a shopping bag containing \$35,000 in cash and an envelope containing \$10,000 in cash. Holiday also arranged for and paid \$7,000 for Nelson's passage on a Caribbean cruise, in exchange for her assistance in awarding three multi-million dollar contracts to HIS. One contract involved GSA-managed federal buildings in San Diego and three other counties in southern California. GSA solicited bids for a contract to provide security services to these federal facilities in November 1999. Although HIS's bid was almost \$10 million higher than the lowest bid received by GSA, Nelson awarded the contract to HIS in May 2000. From 2000 through 2007, GSA paid HIS and USProtect more than \$81 million pursuant to this contract.

In February 2001, GSA solicited bids to provide security to federal facilities in San Francisco and seven other counties in northern California. Although HIS again did not submit the lowest bid price, Nelson awarded the contract to HIS in June 2001 at a cost of more than \$30.5 million. From 2001 through June 2007, GSA paid HIS and USProtect more than \$61 million pursuant to this contract.

In January 2002, HIS submitted a proposal for a contract to provide security to facilities operated by the Social Security Administration (SSA) in Baltimore, Maryland. Nelson sent SSA responses she prepared to a questionnaire regarding HIS's performance of its California contracts. Although HIS had experienced problems, Nelson provided all favorable ratings for HIS. Based in part on this recommendation, SSA awarded the contract to HIS. From 2000 through the present, SSA paid HIS and USProtect more than \$50 million pursuant to this contract.

According to the affidavit, between March 24, 2007 and August 23, 2007, at least \$6.9 million of the money paid by the government for the contracts that had been procured through bribery was transferred into the USProtect bank account. The government seeks forfeiture of that amount, as proceeds of the bribery offense and has obtained a warrant seizing the account.

In addition, the affidavit traces over \$250,000 in bribery proceeds used to purchase a home on Sago Court in Naples, Florida; more than \$62,000 in bribery proceeds used to purchase a boat; and more than \$1.5 million in bribery proceeds used to purchase a home on Canna Way in Naples, Florida. The affidavit alleges that the purchases of the homes and the boat with proceeds of the bribery offense constitute money laundering transactions and the government seeks forfeiture of the homes and seizure of the boat.

Holiday and Nelson pleaded guilty to bribery and tax evasion and each faces a maximum sentence of 15 years in prison on the bribery charge and five years in prison for tax evasion. Sentencing hearings for Holiday and Nelson are scheduled for May 5, 2008 at 2:00 p.m. and June 16, 2008 at 10:00 a.m., respectively.

In a related case, Richard S. Hudec, age 44, of Naples, Florida, who was a former chief operating officer of USProtect, pleaded guilty on November 30, 2007 and faces a maximum sentence of five years in prison for concealing material information from federal contracting officials - including four prior felony convictions - in connection with federal contracts worth over \$150 million that were awarded to USProtect. He also pleaded guilty to evading taxes on income he obtained as a result of the government awarded contracts and faces a maximum sentence of five years in prison and a \$250,000 fine for the tax evasion. U.S. District Judge Deborah K. Chasanow scheduled Hudec's sentencing for March 31, 2008 at 3:00 p.m.

Three creditors of USProtect have filed an involuntary petition in U.S. Bankruptcy Court seeking to have the company placed in Chapter 7 Bankruptcy. No date has been set for a hearing on that petition.

United States Attorney Rod J. Rosenstein praised the Federal Bureau of Investigation; the General Services Administration - Office of Inspector General; the Social Security Administration - Office of Inspector General; the Department of Homeland Security - Office of Inspector General; the Internal Revenue Service - Criminal Investigation; Treasury Inspector General for Tax Administration; and the Defense Criminal Investigative Service for their investigative work in the bribery case. Mr. Rosenstein thanked Assistant U.S. Attorneys Michael Pauzé and Jonathan Biran, who are prosecuting the case, and Assistant U.S. Attorneys Richard Kay and Michael DiPietro who are handling the civil action.